

PSC NEWS Missouri Public Service Commission

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FOR IMMEDIATE RELEASE

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NATURAL GAS RATES TO CHANGE FOR BOWLING GREEN AND HANNIBAL/CANTON DISTRICT CUSTOMERS

JEFFERSON CITY—To reflect estimated changes in the wholesale cost of natural gas as well as a change in the Company's Actual Cost Adjustment (ACA) factor, Bowling Green and Hannibal/Canton District customers of Atmos Energy Corporation will see natural gas rates drop under a filing which will take effect on November 1, 2006.

The ACA factor is a mechanism which tracks any over-collection or under-collection of actual natural gas costs over a 12 month period. The net over- or under-collected balances are subsequently either refunded or collected the next year.

A residential customer currently pays approximately \$0.90 per Ccf (per 100 cubic feet of gas). Under this filing, the rate will drop to approximately \$0.84 per Ccf, a decrease of approximately \$0.06 per Ccf.

Approximately 65% to 75% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. The wholesale cost of natural gas (the cost your local natural gas company must pay to its suppliers for natural gas) is not regulated by the Missouri Public Service Commission. The wellhead cost of natural gas is unregulated and is primarily driven by supply, demand and the weather. The Missouri Public Service Commission does conduct an annual regulatory review to ensure that regulated natural gas companies make prudent decisions in securing natural gas supplies for their customers.

Atmos Energy Corporation serves approximately 12,100 natural gas customers in its Hannibal/Canton District which includes the Missouri counties of Clark, Lewis, Knox, Marion, Ralls and Scotland. Atmos serves approximately 1,420 natural gas customers in its Bowling Green District in Pike County.